

EU ORPHAN DIRECTIVE AND ASPECTS OF ITS IMPLEMENTATION IN ASSOCIATED COUNTRIES



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THE ARTICLE DEVOTED TO THE ANALYSIS OF EXPERIENCE OF IMPLEMENTATION OF THE DIRECTIVE 2012/28/EU OF THE EUROPEAN PARLIAMENT AND THE COUNCIL OF 25 OCTOBER 2012 ON CERTAIN PERMITTED USES OF ORPHAN WORKS¹. THE RELEVANCE OF THE TOPIC IS DETERMINED BY THE REFORM OF COPYRIGHT LEGISLATION IN THE COUNTRIES – COUNTERPARTS OF ASSOCIATION AGREEMENTS BETWEEN THE EUROPEAN UNION AND THE EUROPEAN ATOMIC ENERGY COMMUNITY AND THEIR MEMBER STATES, OF THE ONE PART, AND THE REPUBLIC OF MOLDOVA, OF THE OTHER PART AS WELL AS WITH UKRAINE AND GEORGIA AND INTEREST IN THESE COUNTRIES IN IMPLEMENTATION OF THE DIRECTIVE.

The main aims of the Directive included facilitation of creation of the European Digital Libraries, dissemination of the European cultural heritage, promoting free movement of knowledge. The same aims are topical to facilitate access to national cultural heritage for Association countries and effective implementation of digitization programs.

There will be outlined: the basic provisions of the Directive which require the adoption of laws and by laws, experience in management of orphan works of the selected EU member-states; as well as recommendations to government agencies - to implement the Directive.

It should be mentioned that peculiarities of the Orphan Directive implementation were analysed in

a number of surveys, initiated in the EU, academic publications².

The basic provisions of the Directive to be implemented in the national legislation.

The norms of material law concerning orphan works, which usually are transported to the national legislation on the level of laws, include:

- the types of publicly accessible libraries, educational establishments and museums, archives, film, audio heritage institutions and public-service broadcasting organisations with the competence to provide certain uses of orphan works (Art. 1.1);

² Orphan works survey. Summary report. EUIPO. 2017, p. 55, available at https://euiipo.europa.eu/tunnel-web/secure/webdav/guest/document_library/observatory/documents/reports/Orphan_Works_Survey_Summary_Report/Orphan_Works_Survey_Summary_Report.pdf [Accessed 14 August 2018]. Marcella Favale, Simone Schroff, Aura Bertoni. Requirements for Diligent Search in the United Kingdom, the Netherlands, and Italy. Report 1. EnDOW. February 2016, p. 48. Aura Bertoni, Flavia Guerrieri, Maria Lillà Montagnani. Requirements for Diligent Search in 20 European Countries. Report 2. EnDOW. June 2017, p. 226. Victoria Stobo, Kris Erickson, Aura Bertoni and Flavia Guerrieri Current Best Practices among Cultural Heritage Institutions when Dealing with Copyright Orphan Works and Analysis of Crowdsourcing Options. Report 3. EnDOW. May 2018, p. 62. Orphan works: Review of the first twelve months. Intellectual Property Office. 2015, p. 24, available at https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/487209/orphan-works-annual-report.pdf [Accessed 14 August 2018]. Borghi, M. and Karapapa, S. (2013), Caroli, C. et al. (2012), Economou, M. (2017), Stobo, V., Patterson, K., Erickson, K. and Deazley, R. (2018), etc.

¹ OJ L 299, 27.10.201, P. 5-12.

- the types of works the Directive applies to: (Art. 1.2–1.4);
- the definition of the orphan works (Art. 2);
- the definition of the end of orphan work status (Art. 5);
- permitted uses of orphan works (Art. 6);
- the circumstances on paying the compensation to right holders of orphan works (Art. 6.5).

The Directive includes requirements for conducting a diligent search for the work or phonogram by organisations referred to in Art. 1(1) (Art. 3). It should be mentioned the requirement of the Directive to Member State to determine the sources for the search, that are appropriate for each category of works or phonogram in question in consultation with the right holders and users (Art. 3.2). Such a list should include at least the relevant sources, listed in the Annex to the Directive. These provisions usually requires the adoption of by-law with the list of corresponding sources for the search and mechanism and procedures of communication and receiving information from organisations, having corresponding information and data bases.

Also the Directive requires that organisations, which provide diligent search, should maintain records of their diligent searches and that these organisations should provide the specific information to the competent national authorities: (Art. 3.5). It means – it would be appropriate to provide through by-law in what standard the information on diligent search should be maintained by such organisations as well requirements, considering appropriate preservation of these data.

The important provision of the Directive is that the Member States shall take the necessary measures to ensure that the information provided to the competent national authority, should be recorded in a single publicly accessible online database, established and managed by the Office for Harmonization in the Internal Market (the Office) (Art. 3.6).

According to that model – in the countries which follow the mentioned approach and are not EU Member States – should be envisaged the competence of a specific ministry (agency, institution) to keep such a data base, as well requirements and standards of its management and accessibility. When developing such requirements – the experience of maintaining the orphan works data base by

EUIPO should be taken into consideration.

Article 5 of the Directive requires that Member States shall ensure that a right holder in a work or phonogram, considered to be an orphan work, has, at any time, the possibility of putting an end to the orphan work status in so far as his rights are concerned. It means that appropriate procedure should be adopted for the right holders informing on their rights as well as on managing the corresponding requests and taking decisions on putting the end of an orphan work status, paying the right holder compensation if appropriate.

The categories of the works the Directive applies to

The Directive provides exceptions for the use only for some categories of the works and phonograms, including:

(a) works published in the form of books, journals, newspapers, magazines or other writings, contained in the collections of publicly accessible libraries, educational establishments or museums as well as in the collections of archives or of film or audio heritage institutions;

(b) cinematographic or audiovisual works and phonograms contained in the collections of publicly accessible libraries, educational establishments or museums as well as in the collections of archives or of film or audio heritage institutions; and

(c) cinematographic or audiovisual works and phonograms produced by public-service broadcasting organisations up to and including 31 December 2002 and contained in their archives, which are protected by copyright or related rights and which are first published in a Member State or, in the absence of publication, first broadcast in a Member State (Art. 1(2)). Also the Directive in some cases applies to unpublished works and phonograms defined by Art. 1(3).

It is important that the Directive does not envisage orphan status for standalone artistic works like photographs, maps, plans and drawings. At the same time, according to Art. 1(4) of the Directive and par. 3 of the Annex to the Directive in the print sector, the Directive also covers visual works, such as photographs and illustrations, design, architecture contained in these published works³.

³ See also p. 4 of the Proposal for a Directive of the European Parliament and the Council on certain permitted uses of orphan works. Brussels, 24.5.2011. COM(2011) 289 final.

The procedure of a diligent search

In 2016-2018, three reports have been published on requirements for diligent search in the EU Member-States by the EnDOW project. Also several projects have been launched: for creation of the EU wide system to assess and register the rights status of audiovisual works (FORWARD)⁴; tool for identification of authors, of public domain works, orphan works, out-of-print works and works which are still commercially available (Arrow)⁵; designing a system for determining the orphan work status of library and other institutions (EnDOW)⁶. The most important results are the identification in the EU Member-States – the organizations with records that should be checked for possible information on

authors or right holders. According to the EnDOW Report 2 (2017) for some countries substantial part of sources is freely accessible online

In Poland in particular the list of sources for the search is provided in the appendix to the implementing Order by the Minister of Culture and National Heritage⁷. Limiting a search to the sources, listed in the Order, would be as a rule sufficient to consider that search diligent. It is pointed also, that if an organization knows or should have known, that there are other sources where information is likely to be found, and did not use them, such a search could not be considered to have been done in a good faith (EnDOW report 2 (2017), p. 120). The comparison of the sources for published books, indicated in the Annex to the Directive and in the list, adopted by Order, is given below.

⁴ Framework for an EU-wide audiovisual orphan works registry, available at <http://project-forward.eu/> [Accessed 14 August 2018].

⁵ Registry of Orphan Works Management System. Arrow. eContentplus project. Grant Agreement ECP-2007-DILI-527003 ARROW, available at

⁶ https://pro.europeana.eu/files/Europeana_Professional/Projects/Project_list/ARROW/Deliverables/D6.2%20Registry%20of%20Orphan%20Works%20Management%20System.pdf [Accessed 14 August 2018].

⁶ EnDOW Diligent Search Tool, available at <http://diligent-search.eu/> [Accessed 14 August 2018].

⁷ Rozporządzenie Ministra Kultury i Dziedzictwa Narodowego z dnia 23 października 2015 r. w sprawie wykazu źródeł, których sprawdzenie jest wymagane w ramach starannych poszukiwań uprawnionych do utworów i przedmiotów praw pokrewnych, które mogą być uznane za osierocone, oraz sposobu dokumentowania informacji o wynikach starannych poszukiwań. 6 listopada 2015 r. Poz. 1823, available at <http://www.dziennikustaw.gov.pl/DU/2015/1823/1> [Accessed 14 August 2018].

Sources for the published books (Annex to the Directive 2012/28/EU)	Sources for the published books for the Poland (EnDOW) [*]
Legal deposit, library catalogues and authority files maintained by libraries and other institutions	National Library Warsaw (freely accessible online, FAO) Jagiellonian Library Kraków (FAO) Appropriate libraries (because of a specific topic or character of a work) Regional libraries entitled to receive obligatory copies or regional libraries preparing regional bibliographies - for works about regional issues Polish Chamber of Books (source is not locatable online)
The publishers' and authors' associations in the respective country	Association of Authors ZAiKS Association of Polish Writers (source is not locatable online) Union of the Polish Men of Letters (source is not locatable online) Polish Pen Club (source is not locatable online) Publisher of a given publication, if existing
Existing databases and registries, WATCH (Writers, Artists and their Copyright Holders), the ISBN (International Standard Book Number) and databases listing books in print	WATCH (FAO) ISBN (FAO)
The databases of the relevant collecting societies, in particular reproduction rights organizations	Collecting society for scientific and technical works (KOPIPOL) (FAO) Association of Authors and Publishers Copyright Polska (registration required)
Sources that integrate multiple databases and registries, including VIAF (Virtual International Authority Files) and ARROW (Accessible Registries of Rights Information and Orphan Works)	VIAF (FAO) ARROW (FAO)

^{*} Aura Bertoni, Flavia Guerrieri, Maria Lillà Montagnani (2017), p. 214.

The practical importance is EnDOW Diligent Search Tool for determining the orphan work status. By answering on-line questions and having the list of organizations in the EU member-states where the diligent search could be provided – it is possible to define the statutes of the work. The above mentioned on-line search report can be used by any eligible institution to record the work to the Orphan Works Database at the European Intellectual Property Office.

The most difficult question is that the information at one or another organization could be not in digital form and without automatic search tools that could slow down the search.

It is beneficial as it shows the experience of the Intellectual Property Office of the United Kingdom to provide guidance for diligent search for different categories of the works: film, music and sound orphan works; literary works, unpublished literary work, visual art, photograph⁸. Also the IPO provides samples of diligent search for the different categories of works.

The organization of a publicly accessible on-line database of orphan works

This task is substantial to provide access of public to the orphan works. The publicly accessible organizations, referred to in Art. 1(1) of the Directive, could establish such databases. The important role plays the central publicly accessible online database of orphan works which could be managed by the Intellectual property office or other organization with the competence to maintain the database.

The EU IPO Orphan Works Database provides the possibility to search under title, description, category, right holder. It contains information on orphan works contained in the collections of publicly accessible libraries, educational establishments and museums, as well as archives, film or audio heritage institutions and public-service broadcasting organisations established in the Member States⁹. It is provided for each of the work information on title of the work, description, category of the work, or-

ganization, information on right holder as well as it is possible to go to on-line procedure to claim of a status change of orphan work.

As to licensing schemes – the United Kingdom Orphan Works Register¹⁰ contains information on applications for an orphan work license, licenses issued and applications that have been refused. The register could be searched by title of the work; description of the work; any known identifying number (ISBN for books); category of work; name of known right holders; status of the license application; orphan works application number.

The uses of the orphan works

The orphan works contained in the collections of the cultural heritage institutions (publicly accessible libraries, educational establishments and museums, archives, film or audio heritage institutions) as well as public service broadcasters indicated in Art 1.1 of the Directive, could be used by them without any license: by making the orphan work available to the public, within the meaning of Article 3 of Directive 2001/29/EC; by acts of reproduction, within the meaning of Article 2 of Directive 2001/29/EC, for the purposes of digitisation, making available, indexing, cataloguing, preservation or restoration (Art. 6.1).

Such exception covers only literary works, cinematographic works and audiovisual works but not other categories of works, like photographs, drawings. Such uses could be only in the framework of these organizations to achieve aims related to their public-interest missions (Art. 6.2).

It should be mentioned that some EU Member States implemented a framework for commercial and non-commercial licensing of such works.

Regarding the orphan works uses – the considerable interest is paid to the United Kingdom experience. The Intellectual Property Office issued a number of guidances on orphan works, including Orphan works overview for applicants, Orphan works commercial and non-commercial licenses, Orphan works process for returning right holders, Orphan works appeals process, etc.¹¹

⁸ Orphan works diligent search guidance for applicants. IPO, available at <https://www.gov.uk/government/publications/orphan-works-diligent-search-guidance-for-applicants> [Accessed 14 August 2018].

⁹ Orphan Works Database. EU IPO, available at <https://euipo.europa.eu/ohimportal/web/observatory/orphan-works-db> [Accessed 14 August 2018].

¹⁰ <https://www.orphanworkslicensing.service.gov.uk> [Accessed 14 August 2018].

¹¹ Orphan works guidance. IPO, available at <https://www.gov.uk/government/collections/orphan-works-guidance> [Accessed 14 August 2018].

According to guidance: an orphan works license: applies only for use in the United Kingdom; can be for commercial or non-commercial use, is non-exclusive, can last up to 7 years and could be renewed. Before applying for the license – the applicant should carry out a diligent search for right holders. It is envisaged application and license fees. After making an application – the IPO will check that the diligent search was made according to the requirements. Also, there are sent to applicant the terms and conditions that apply to the license. The license fee varies, depending on the types of orphan work and purpose of usage. Also in application could be refused, if it is considered that a proper diligent search hasn't been made; proposed treatment, adaptation or alteration of the orphan work is derogatory or it wouldn't be in the public interest to issue a licence.

The Guidance contains the list of non-commercial licences with symbolic price: £0.10 + VAT per work for: free hand outs for live event, exhibition or similar use in a live event, exhibition or similar; in newsletter, bulletin, e-newsletter or e-bulletin; in non-commercial promotional material - print and digital; digitize and make available online, including on social media; preservation purposes; use on stage or in performance; educational purposes - use in learning/training materials, including e-learning; use in thesis/dissertation; personal use¹².

For commercial licenses – the cost of the license depends on how many works are intended for licenses and form of uses of the work. The license fees are set by looking at the prices charged for using similar non-orphan works in the same way.

Compensation payment to the right holders

The Directive envisaged that a fair compensation is due to right holders that put an end to the orphan work status of their works for the use that has been made by the organizations, referred to in Article 1(1). Member States are free to determine the circumstances, under which the payment of such compensation may be organized. The level of the compensation shall be determined within the limits

imposed by Union law, by the law of the Member State, in which the organization which uses the orphan work in question is established (Art. 6(5)).

In the UK – where it is less than 8 years since the orphan works license was issued – the IPO should pay the right holder license fee in respect of that work (or relevant part of the license fee where there are multiple right holders). Unclaimed license fees should be used to offset the costs of setting up and running the licensing scheme. Any surplus funds will then be used to fund social, cultural and educational activities, or otherwise at the discretion of the Secretary of State¹³.

Conclusion. Experience of the EU shows the importance of effective implementation of the Orphan Directive as legal solution for digitization and promoting access to orphan works. The ongoing initiatives of the EU on access to out of commerce works should be taken into consideration¹⁴, as well as the possible development of the Orphan Works system (Orphan works survey. EUIPO (2017), p. 37). In the implementation phase it is important not only to implement the basic provision of the Directive in the corresponding legal act – but also to provide adoption of by-laws or laws with indication of the list of corresponding sources for the diligent search; the mechanism of receiving information for the diligent search from cultural institutions and public-service broadcasting organizations; the standards for maintaining records of diligent searches for the cultural institutions and broadcasting organizations; the procedure to provide information by these institutions to the competent national authorities; the requirements for the preservation of the diligent search data; the competence of a specific institution (ministry, agency, other institution) to a data base of orphan works; requirements for its management; procedure for the right holders, informing on their rights and managing their requests; procedure of putting the end of an orphan work status, paying the compensation to the right holder etc.

¹² Guidance Orphan works commercial and non-commercial licenses. 2 August 2016. IPO, available at <https://www.gov.uk/government/publications/orphan-works-commercial-and-non-commercial-licences/orphan-works-commercial-and-non-commercial-licences> [Accessed 14 August 2018].

¹³ Orphan works licensing scheme guidance for right holders. Published 29 October 2014. IPO, available at <https://www.gov.uk/government/publications/orphan-works-process-for-returning-right-holders> [Accessed 14 August 2018].

¹⁴ Proposal for a Directive of the European Parliament and of the Council on Copyright in the Digital Single Market. Brussels, 14.9.2016. COM(2016) 593 final.

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ABSTRACT

EU Orphan Directive and Aspects of its Implementation in Associated Countries. The mechanism of implementation of the Directive 2012/28/EU on certain permitted uses of orphan works in the countries – members of Association Agreements with the EU is analyzed. The experience of some EU Member States is presented in the organization of a diligent search, managing orphan works data bases, licensing orphan works. Except the implementation of the basic provisions of the Directi-

ve in the Laws on Copyright and Related Rights – it is noted the need for adoption of by-laws with the list of corresponding sources for the diligent search; the mechanism of receiving information for the diligent search, the standards of managing orphan works databases, the procedure of licensing, putting the end of an orphan work status, paying the compensation to the right holder, etc.

Key words: *copyright, orphan works, licensing, European Union, associated countries.*

REZUMAT

Directiva Uniunii Europene privind operele orfane și aspectele privind punerea în aplicare a acestora în țările asociate

Se analizează mecanismul de punere în aplicare a Directivei 2012/28/UE privind operele orfane în statele care au încheiat acorduri de asociere cu Uniunea Europeană. Este citată experiența statelor membre ale UE în ceea ce privește organizarea unei căutări corecte în stabilirea statutului unei opere orfane; întreținerea bazelor de date ale operelor orfane, licențierea acestora. Se remarcă relevanța adoptării actelor care determină: o listă a surselor de căutare adecvată; mecanismul de obținere a informațiilor în căutări, standardele de menținere a bazelor de date ale operelor orfane, mecanismele de acordare a licențelor, plățile către deținătorii

drepturilor de autor a remunerației, încetarea statutului opere orfane etc.

Cuvinte-cheie: *drepturi de autor, opere orfane, licențiere, Uniunea Europeană, țări asociate.*

РЕФЕРАТ

Директива Европейского Союза о сиротских произведениях и вопросы ее имплементации в ассоциированных странах. Анализируется механизм имплементации Директивы 2012/28/EU о сиротских произведениях в государствах, заключивших соглашения об ассоциации с Европейским Союзом. Приведен опыт государств-членов ЕС в организации должного поиска при установлении статуса сиротского произведения; ведения баз данных сиротских произведений, их лицензирования. Отмечается актуальность принятия актов, которые определяют: перечень источников для должного поиска; механизм получения информации при поиске, стандарты ведения баз данных сиротских произведений, механизмы лицензирования, выплаты субъектам авторского права вознаграждения, прекращения статуса сиротского произведения и др.

Ключевые слова: *авторское право, сиротские произведения, лицензирование, Европейский Союз, ассоциированные страны.*